

45-85

A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF NAVAJO, ARIZONA, APPROVING  
THE ISSUANCE BY NAVAJO COUNTY, ARIZONA POLLUTION  
CONTROL CORPORATION OF ADJUSTABLE-RATE ANNUAL TENDER  
POLLUTION CONTROL REVENUE REFUNDING BONDS, 1985 SERIES A  
(ARIZONA PUBLIC SERVICE COMPANY CHOLLA 4 PROJECT)

WHEREAS, Arizona Public Service Company (the "Company") has asked the Navajo County, Arizona Pollution Control Corporation (the "Issuer") to issue revenue bonds for the purpose of making a loan to the Company to refund the Issuer's Pollution Control Revenue Bonds, Commercial Paper Series A (Arizona Public Service Company Project) and its Pollution Control Revenue Bonds, Revolving Credit Series A (Arizona Public Service Company Project) heretofore issued to defray a portion of the cost, or to refund bonds of the Issuer issued to defray the cost, to Arizona Public Service Company of acquiring, constructing, improving or equipping certain pollution control facilities related to Unit 4 of the Cholla Plant (the "Facilities"), an electric generating facility located in the County of Navajo, Arizona; and

WHEREAS, on May 7, 1985, the Issuer held a public hearing with regard to its pollution control revenue bonds in aggregate principal amount not exceeding \$55,200,000 with respect to the Company, and certain of the Facilities, in accordance with and in fulfillment of the requirements of Section 103(k) of the Internal Revenue Code of 1954, as amended; and

WHEREAS, the Issuer, by resolution adopted on May 7, 1985, has authorized the issuance and sale of its Adjustable-Rate Annual Tender Pollution Control Revenue Refunding Bonds, 1985 Series A (Arizona Public Service Company Cholla 4 Project) in an aggregate principal amount not to exceed \$55,200,000 (the "Bonds") subject to the approval of the Board of Supervisors of the County of Navajo, Arizona (the "Board"); and

WHEREAS, there have been heretofore furnished to the Board a copy of the above-described Issuer resolution, including an Indenture of Trust and Pledge between the Issuer and Bankers Trust Company to be dated as of May 1, 1985, the Loan Agreement between the Issuer and the Company with respect to the Bonds to be dated as of May 1, 1985, the Remarketing Agent's Agreement between the Company and The First Boston Corporation (the "Remarketing Agent") to be dated as of May 1, 1985 and the Indexing Agent's Agreement between the Issuer and The First Boston Corporation (the "Indexing Agent") to be dated as of May 1, 1985; and

WHEREAS, the Board of Directors of the Issuer has requested that the Board approve the issuance and sale of the Bonds; and

WHEREAS, the Board has duly considered the proposed issuance and sale of the Bonds by the Issuer and the loan of the proceeds thereof to the Company; and

WHEREAS, the principal of, premium, if any, and interest on the Bonds are to be payable solely from the

receipts and revenues of the Issuer under the Loan Agreement, and other funds pledged therefor, all in conformity with the provisions of Title 9, Chapter 12, Arizona Revised Statutes, as amended (the "Act"); and

WHEREAS, payment of the principal of and premium and interest on the Bonds is to be further secured by an irrevocable letter of credit to be dated the date of issuance of the Bonds (the "Letter of Credit") issued to the Trustee at the request and for the account of the Company by The Long-Term Credit Bank of Japan, Ltd., acting through its Los Angeles Agency; and

WHEREAS, the Issuer has determined that the issuance and sale of the Bonds are in furtherance of the public purposes set forth in the Act; and

WHEREAS, the Act requires that the Bonds to be issued be approved by the governing body of the County of Navajo, Arizona; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Navajo, Arizona as follows:

Section 1. The proceedings for the issuance of the Bonds in substantially the form heretofore lodged with the Clerk of the Board are approved.

Section 2. The Bonds are to be issued in an aggregate principal amount not to exceed \$55,200,000 to repay the outstanding principal amount of the Issuer's Pollution Control Revenue Bonds, Commercial Paper Series A (Arizona Public Service Company Project) and its Pollution Control

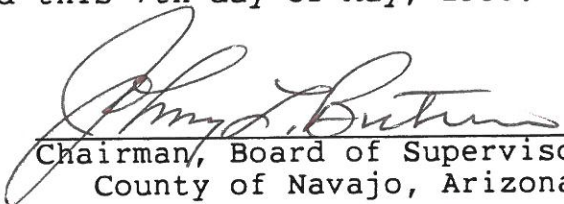
Revenue Bonds, Revolving Credit Series A (Arizona Public Service Company Project) heretofore issued to defray a portion of the cost, or to refund bonds of the Issuer issued to defray the cost, to the Company of acquiring, constructing, improving or equipping certain facilities related to Unit 4 of the Cholla Plant. Such Facilities are located in the County of Navajo, Arizona, south of Interstate 40 on County route 66 between Joseph City and Holbrook, adjacent to the Cholla County Park. The Facilities are owned and operated by the Company.

Section 3. The Facilities and the plan of financing of the Facilities are hereby approved.

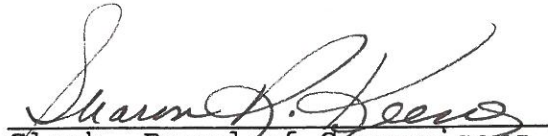
Section 4. The issuance and sale of the Bonds are hereby approved.

Section 5. This Resolution shall become effective immediately.

Passed and Adopted this 7th day of May, 1985.

  
Chairman, Board of Supervisors,  
County of Navajo, Arizona

ATTEST:

  
Clerk, Board of Supervisors,  
County of Navajo, Arizona

CERTIFICATE OF CLERK OF THE BOARD OF SUPERVISORS  
OF NAVAJO COUNTY, ARIZONA AS TO  
INCUMBENCY OF SUPERVISORS

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I, Sharon R. Keene, do hereby certify that I am the duly appointed, qualified and acting Clerk of the Board of Supervisors of Navajo County, Arizona (the "County") and that as of the date hereof and on April 30, 1985 and May 7, 1985, the following named persons were the duly elected Supervisors of the County:

Name

John L. Butler

Percy Deal

Pete Shumway

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Supervisors this 7<sup>th</sup> day of May, 1985.

  
Clerk of the Board of Supervisors of  
Navajo County, Arizona

(SEAL)

CERTIFICATE OF CLERK OF THE  
BOARD OF SUPERVISORS OF NAVAJO COUNTY, ARIZONA

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I, Sharon R. Keene, do hereby certify that I am the duly appointed, qualified and acting Clerk of the Board of Supervisors of Navajo County, Arizona and that:

1. Attached are true and correct copies of the notices of meeting and extracts of the minutes of the meetings of the Board of Supervisors duly held on the 30th day of April, 1985, and on the 7th day of May, 1985, at which meetings a quorum of Supervisors was present and acting throughout, and such minutes include resolutions which were duly adopted at such meetings, which resolutions have not been amended, modified or rescinded and are in full force and effect on the date hereof.

2. The above-mentioned notices were posted pursuant to the provisions of A.R.S. §38-431.02.

3. The above-mentioned notices were posted on the bulletin board outside the meeting room of the Board of Supervisors, Navajo County Governmental Complex, South Highway 77, Holbrook, Arizona.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Supervisors this 7th day of May, 1985.

  
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Clerk of the Board of Supervisors  
of Navajo County, Arizona

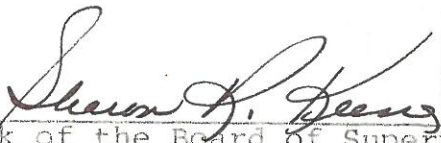
(SEAL)

CERTIFICATE OF CLERK OF THE  
BOARD OF SUPERVISORS OF NAVAJO COUNTY, ARIZONA

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I, Sharon R. Keene, do hereby certify that I am the duly appointed, qualified and acting Clerk of the Board of Supervisors of Navajo County, Arizona and that attached is a true and correct copy of an extract of the minutes of a meeting of the Board of Supervisors duly held on the 5th day of September, 1973, at which a quorum of Supervisors was present and acting throughout, and such minutes include a resolution which was duly adopted at such meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Supervisors this 7th day of May, 1985.

  
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Clerk of the Board of Supervisors  
of Navajo County, Arizona

(SEAL)